Business and commercial Aviation

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CONTROLLER, INSPECTOR WORK FORCE TO BE INCREASED BY DOT

Secretary of Transportation Elizabeth Dole said in a press conference last Thursday that an additional 480 people would be added to the existing air traffic controller work force, at a rate of approximately 40 per month during the 12-month period beginning Oct. 1. A similar increase would be implemented during fiscal year 1987. Dole said presently there are approximately 14,000 air traffic controllers, and the increase would be in addition to normal replacement hiring. Dole said she also had plans to add 500 inspectors over the next three years but said that no decision had been made as to how they would be split between general aviation, which currently has 936 inspectors, and commercial airlines, which have 674.

Dole also said that the second phase of the five-phase General Aviation Safety Audit, found a "better than 90 percent rate of compliance with safety standards." The audit was launched by Dole July 22, 1984 *(BA, July 23, 1984/25)* as an 18-month review of the 210,000 aircraft in the general aviation fleet and also includes inspections of flight schools, repair station mechanics, and air taxis.

OVER 80 PERCENT OF JET, TURBOPROP SALES INVOLVE USED EQUIPMENT

Total worldwide market for business jet and turboprop aircraft increased only slightly in the past 12 months, but the percentage of transactions involving new equipment fell for the fourth straight year, according to information compiled by Aviation Data Service Inc. (AvDATA), Wichita, Kan. Information is based on retail deliveries of aircraft as evidenced by bills of sale filed with the FAA Aircraft Registry in Oklahoma City, along with some additional information obtained directly from the manufacturers and other sources. In the past four years, the percentage of new planes involved in business aircraft transactions has fallen from over 40 percent of the total to under 20 percent in the 12 months ended Aug. 31, 1985.

Between Sept. 1, 1981 and Aug. 31, 1982, records show a total of 1,928 transactions involving jet and turboprop equipment, which included sales of 837 new aircraft, or 43.4 percent of the total. In the next two years, the percentage of new aircraft involved in total transactions fell to 24.8 percent and 25.5 percent respectively. For the most recent 12 months, total transactions rose less than two percent to 2,591, but new aircraft accounted for an even smaller share, 464 aircraft, or 17.9 percent.

The U.S. continues to be the largest market for business/executive jets and turboprops. Of 1,216 (new and used) jet sales worldwide in the past 12 months, 1,018 or 83.7 percent, went to operators in this country. There were 1,375 retail transactions worldwide involving new and used turboprops for the year ended Aug. 31, of which 1,210, or 88 percent, went to U.S. buyers.

GAMA: MAJOR MANUFACTURERS THREATENED BY PRODUCT LIABILITY

The chairman of the General Aviation Manufacturers Association said last week the product liability situation has already caused the demise of a number of small aircraft manufacturers and warned even large general aviation firms are threatened by the soaring costs of product liability insurance and adverse court decisions. Frank M. Adams, chairman of GAMA and president of the Aircraft Systems Co. of Bendix/Allied, said "general aviation is being harmed by current legal practice which pursues huge product liability awards

(Continued on the following page)

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AIRPORT AND AIRWAY TRUST FUND
Status As Of July 31, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,542,873,546.72	$ 6,440,835,770.41
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	7,661,000.00	60,951,299.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	2,256,000.00
2. Non-commercial 9 cents tax	1,849,000.00	18,488,384.00
3. Non-commercial 3 cents tax	616,000.00	5,709,128.00
4. Transp by air,seats,berths,etc.	227,877,000.00	2,042,020,730.00
Use of international trav fac	7,799,000.00	71,148,424.00
Transp of property and cargo	15,665,000.00	129,080,089.00
Total Tax Receipts	261,699,000.00	2,329,654,054.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	10,657.00
2. Any liquid fuel except gas	0.00	3,385,202.00
3. Gasoline -Retailer's tax	0.00	581,777.00
4. Gasoline -Manufac. tax	0.00	2,035.00
Total Reimburse For Tax Refunds	0.00	3,979,671.00
Net Tax Receipts	261,699,000.00	2,325,674,383.00
C. Interest on Investments	659,914.87	742,580,724.84
Net Receipts	262,358,914.87	3,068,255,107.84
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	123,729,348.86	766,479,730.24
2. Grants-in-aid for airports	61,654,289.59	616,773,703.51
3. Facilities & equipment	37,917,236.68	340,667,071.36
4. Research engineering & development	13,398,130.29	216,379,315.97
B. NOAA weather services	0.00	20,250,000.00
C. Interest on Refund of Taxes	0.00	7,601.00
Total Expenditures	256,699,005.42	1,960,557,422.08
IV. BALANCE - END OF PERIOD	7,548,533,456.17	7,548,533,456.17

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	$ -109.28	
Operations	78,880,269.76	
Grants-in-aid for Airports	-526,780.30	
Facilities & Equipment	8,096,438.34	
Research Engineering & Development	4,714,637.65	
NOAA weather services	0.00	
		$ 91,164,456.17
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing June 30, 1986	$ 7,441,629,000.00	
10-5/8% maturing June 30, 1985	15,740,000.00	
		7,457,369,000.00
Total Assets		7,548,533,456.17
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,548,533,456.17
Total Liabilities and Equity		7,548,533,456.17

Treasury Department Chart